

# **VA Recovery Audit - Contract Implementation Conference Call Summary**

**Date: 7/15/2002**  
**Time: 1:00 – 2:30 PM (EST)**

## **Attendees    *Veteran Affairs***

Thomas Wayburn, COTR, VA Recovery Audit, HAC  
Jenie Perry, Chief Healthcare Information Systems, AAC  
Kent Simonis, Director, Health Administrative Services, VACO  
Rex Gilmore, Program Specialist, VACO/HAS  
Elliott Vanderstek, Chief, Accounting, HAC  
Robert Zier, Accounting Technician, HAC

## ***Contractor***

Richard Pectol, Vice President, Abacus Technology  
Sharon Lopez, DRG Manager, HealthNet  
Padra Randall, DRG Quality Coordinator, HealthNet  
Joy Wilkie, Director Managed Care Services, HealthNet  
Kelly Foydl, Reports Analyst , HealthNet

## ***Conference Call Summary***

1. Attendee Identification: Participants identified themselves. Minutes of June 24, 2002 accepted without change.
2. Review of action items:
  - a) Item 1: No Payments Indicated for VAMC Houston  
HAS requested that this issue be clarified and group discussion ensued. HealthNet reported that they had received information from AAC on about 285 cases with sufficient ICD codes to enable DRG code assignment review. The remaining cases, estimated by AAC at 3,504 cases, do not have sufficient coding information. Some of these cases reported to HealthNet contain CPT codes, which most likely would be for outpatient claims. HAS will confirm the number of cases and request VAMC Houston to provide the required information to HealthNet for review. (OPEN)
  - b) Item 2: Re-pricing Claims from UB-92 Forms for Outpatient Reimbursement  
RASC proposed that HealthNet request the VA station to provide a copy of the UB-92 billing statement. If the UB-92 statement is unavailable from the VA station, HealthNet should contact the provider for the UB-92 copy. HealthNet will review the UB-92 statement upon receipt and if it contains CPT coding HealthNet will send it to the VA station to have it repriced for payment using outpatient payment methodology. If the UB-92 statement does not contain CPT codes, HealthNet should request the provider to re-code the bill. If HealthNet is unable to obtain a corrected bill from the provider, the provider will be advised that the case will be fully recovered and instructions enclosed on how the provider may receive proper payment. HealthNet suggested that if the provider fails to respond within 90 days of notice to re-code the bill

that HealthNet initiate a total recovery of the amount paid to the provider. COTR will refer to RASC for consideration. (OPEN)

c) Item 3: Vendor requests for EOB/Canceled Check

Some vendors are requesting that HealthNet furnish a copy of the EOB associated with the claimed recovery action and/or the canceled check showing proof of payment for old cases (vendor has purged its records). The VA station does not receive a copy of the EOB and the EOB cannot be reproduced by the facility or AAC. The VA station can request a copy of the canceled check, however this process may take several weeks. HealthNet requested guidance on how to show proof of VA payment for the cases being questioned by the vendor. HAS advised that fee payments are often grouped to issue one payment to the vendor. Thus, a copy of the canceled check may be greater than the payment for the case in question and that without the EOB the vendor may be unable to reconcile or accept it as proof of payment. The payment history from the VA station may provide the batch number, identifying that case as included in the check issued for that batch. HAS recommended that the payment history from the VA station be used and, only if necessary, the station be requested to conduct a check tracer to obtain a copy of the canceled check. HealthNet agreed with HAS recommendation. COTR is awaiting recommendation from RASC. (OPEN)

3. New Business

a) Item 1: Cases pending due to Scenario 10 issue

COTR expressed concern regarding a HealthNet message received at HAC relating to a payment query. The message implied that contractor processing of recovery cases were in abeyance due to a Fee Basis Guidebook, Scenario 10 issue. COTR requested information regarding any problems with Scenario 10 as HAC was unaware that there was an issue. Contractor replied that their issue was resolved. (CLOSED)

b) Item 2: Status of recovery action for 1998, 1999, and 2000 cases

COTR stated that HAC had become aware that the contractor had stopped processing a large number of recovery cases following the VA determination that the VA DRG pricer issue was not within the scope of the Recovery Audit. HAC has learned that approximately \$15M in recovery dollars are in abeyance by the contractor. COTR stated that the ACO had provided contractor with the VA decision on the pricer issue. HAC was under the impression that recovery actions were proceeding. COTR relayed concern about receiving all of these cases in a relatively short period of time and that the associated large dollar value for recovery would be better collected over the length of the contract. If the contractor was holding these cases in abeyance, COTR asked the contractor to submit a letter to the Administrative Contracting Officer, HAC explaining the reason(s) for their delay in processing these recovery actions. (OPEN)

c) Item 3: Debt establishment number

HAC and HealthNet are reviewing the electronic process used to establish recovery debts. (OPEN)

d) Item 4: FY 2001 data

Contractor signed the contract modification issued to include FY 2001 cases into the scope of the recovery contract. Contractor asked when that data would be provided. HAS replied that the data release was authorized on June 28, 2002.

4. Next Call: August 12, 2002.

Tom Wayburn  
COTR, Recorder

